



MAKHADO MUNICIPALITY FINAL ANNUAL BUDGET 2016/17- 2018/19

MTREF-2016-2019

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PART 1 – ANNUAL BUDGET

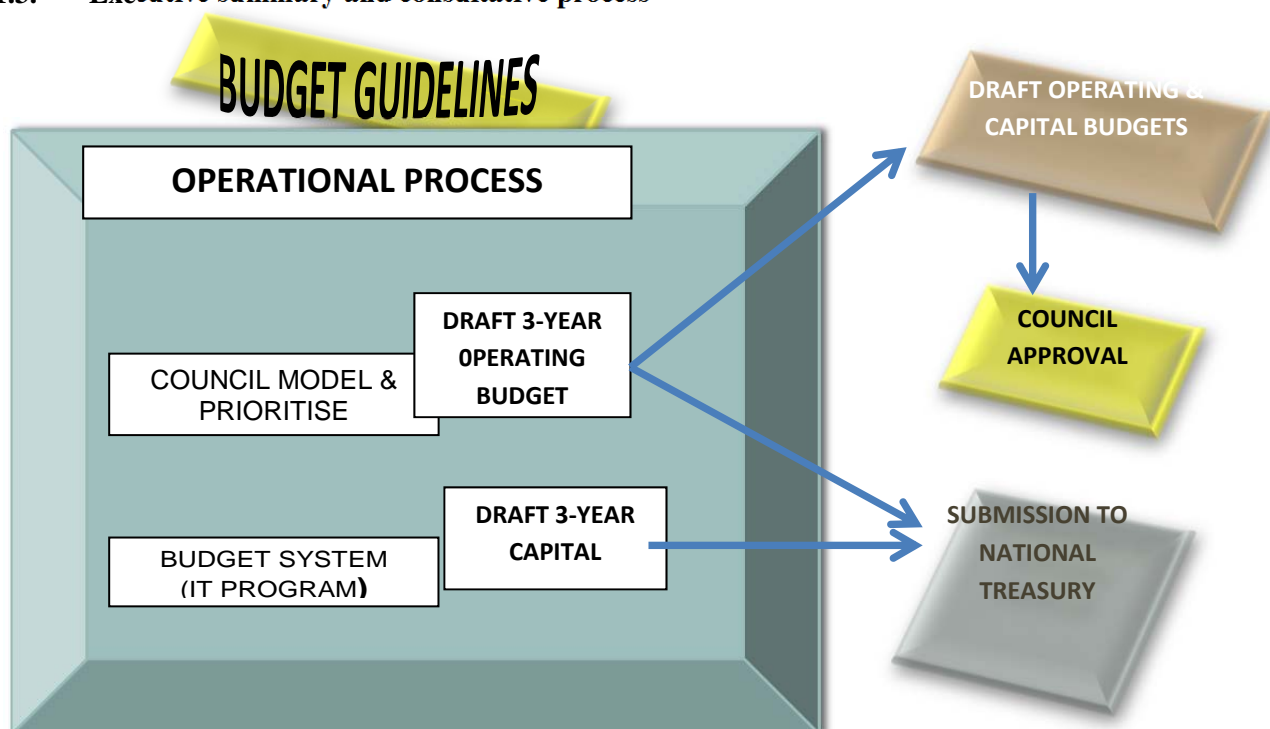
1.1. Mayor's Report

The mayor's report will be furnished after the Budget Speech.

1.2. Recommendations (administrative management)

- 1.2.1 THAT the Final Capital and Operational Estimates for the 2016/2017 financial year as more fully recorded in Annexure A and B attached to the report in this regard be approved and that the Accounting Officer proceeds with the publication of the Final Annual Budget as purposed in section 22 of the Local Government: Municipal Finance Management Act, No 56 of 2003 (hereinafter referred as MFMA) and the Regulations promulgated thereof.
- 1.2.2 THAT it be noted that 2016/2017 budget related policies as approved in the draft annual budget on 31st March 2016 remain unchanged after public notification and consultation processes aligned to the IDP.
- 1.2.3 THAT Council approve in principle the tariffs for municipal services with reference to Annexure C attached.
- 1.2.4 THAT it be noted that the Final 2016/2017 Estimates after the approval by the Council in terms of section 22 of the MFMA will be submitted to the National Treasury and Provincial Treasury, accompanied by quality certificate approved by the Accounting Officer.
- 1.2.5 THAT 2016/2017 budget related policies be approved as more fully set out in Annexure D attached to the report in this regard.

1.3. Executive summary and consultative process



1.3.1. Alignment with national, provincial and district priorities

The National, provincial and district priorities will be gathered during consultative process and be integrated in the IDP of both Makhado Local Municipality and Vhembe District Municipality.

1.3.2. Alignment with National and Provincial Government

Information-sharing will take place between the municipality, provincial and national governments in order to ensure integration

1.3.3. Proposed tariff increments

Proposed tariff increase on other services are as follows:

| SERVICE | 2016/2017 | 2017/2018 | 2018/2019 |
|----------------|-----------|-----------|-----------|
| Electricity | 7.86% | 7.86% | 7.86% |
| Property rates | 6.6% | 6.2% | 5.9% |
| Other services | 6.6% | 6.2% | 5.9% |
| Sundry tariffs | 6.6% | 6.2% | 5.9% |

1.3.4. Situational Analysis

1.3.4.1. Demography

According to 2011 Census outcome, the estimated total population of Makhado Local Municipality has increased from 495 261 to 516 031. The estimated number of households have increased from 108 978 to 134 889 households, with about 225 059 registered voters.

Makhado Local Municipality comprises of five formal towns, which are: Makhado, Vleifontein, Vuwani, Waterval and Dzanani. The Makhado Local Municipality further have 279 villages.

The main administrative office is situated in Makhado town with three supporting regional administrative offices which are situated in the following areas: Dzanani, Vuwani and Waterval.

Makhado Local Municipality has 38 ward councillors and 37 proportional councillors. There are 14 traditional leaders who are ex-officio members of the municipal council and 10 councillors who are members of the executive committee. The Municipality also has 38 established and fully functional ward committees.

| Political Office Bearers and Municipal Manager | |
|--|-----------------------|
| Mayor | Cllr Mutavhatsindi FD |
| Speaker | Cllr Mogale LB |
| Chief Whip | Cllr Ludere R |
| Municipal Manager | Mr Mutshinyali IP |

1.4. Budget overview

The budget has been compiled on a three year basis, which is a requirement of National Treasury, Accounting Practices (GRAP) and MFMA. The budget process of compiling a three-year budget commenced in August 2011.

The Makhado Local Municipality was confronted with various challenges during the compilation of the budget and reviewing of the IDP such as the formulation of measurable objectives for the different functions, the financial implications of the organisational structure, capital costs, input costs to deliver services and increasing maintenance costs.

According to National Treasury MFMA Circular No. 28 of 2005, it is submitted that the draft budget documentation must be tabled to council not later than 31st March

(i.e. 90 days before the start of the budget year) and final budget to be adopted on or before the 31st of May.

- The projected overall spending envelope for the 2016/2017 MTREF amounts to **R 846 251 000**. whereas, the operating revenue for the 2016/2017 MTREF amounts to **R 696 267 0000** and **R 140,276,000** in the capital budget
- The total estimated operational revenue for 2016/2017 from own source is **R 436,165,238**. The total estimated operational revenue for 2016/2017 from National and Provincial as grants and subsidies is **R 392,576,000**. The estimated per cent Revenue is 6.6 % above the current adjusted budget. On the other hand the proposed estimated expenditure for 2016/2017 annual budget is an average of 7% higher than the current adjusted expenditure.

Table 1: Operational Expenditure 2015/2016 to 2017/2018

| | 2016/2017 Final budget | 2017/2018 Forecasted Budget | 2018/2019 Forecasted Budget |
|--|-----------------------------------|--|--|
| Revenue | 696 267 000 | 739 391 000 | 787 013 000 |
| Transfers | 101 346 000 | 113 766 000 | 122 141 000 |
| Capital Capital investment assets | 140 276 000 | 186 460 000 | 158 272 000 |
| Expenditure | 846 251 000 | 907 85 5 000 | 177 324 000 |
| Resulting surplus | 9 363 000 | 10 302 000 | 2 817 0000 |

- The 2016/2017 MTREF has been prepared within the context of reducing expenditure due to the municipality's weighty cash constraints and taking into consideration the implications of the increasing global costs thus to ensure that the financial sustainability of the council is sustained.
- A strategic write off undertaken in 2016/17, should also have a positive effect on increased collection rates and also the implementation of new valuation roll should result in the revenue base increasing.
- MFMA Circular No. 79 of the National Treasury provides some guidelines as to how municipalities may respond to the economic crisis in their budget preparations. The municipal revenue and cash flows are expected to remain under severe pressure in 2015/16 and thus a conservative approach will be adopted when projecting the revenues.
- Given the constraints on the revenue side, the municipality will expedite spending on capital projects that are funded by conditional grants but

maintaining fiscal sustainability the commitment to deliver quality services. Maintaining all assets at a level adequate to protect the capital investment and minimize future maintenance future maintenance and replacement costs.

- The municipality targeted at achieving a clean audit report in 2016/17, reflecting the drive towards financial management excellence in the region and increasing spending on conditional grants
- The IDP review was prepared in alignment with budget and performance management plan objectives of the municipality, resulting in the development and approval of the Service Delivery and Budget Implementation Plan (SDBIP).

1.5. Overview of the alignment of annual budget with integrated development plan 2017-2018 and public consultation process:

- A three (3) year capital budget has been prepared and built on the IDP document to be tabled in Council in March 2016.
- This budget compiled in line with the Municipal Budgeting and Reporting Regulation (MBRR) notice no. 31804 of 2009 which provides the comparative financial information over a systematic number of years.
- The extent of the indigent support granted by Council to indigent households within the Municipal area will be determined based on budgetary allocation for a particular financial year and the tariff charges.
- The key focal point of the municipality is ensuring that its budget complies with the following three criteria:
 - ✓ **Sustainability** - to ensure that the municipality has sufficient revenue and adequate corporate and financial stability to fund and deliver on its budget.
 - ✓ **Credibility** - to ensure that the municipality, with its ability and capacity to spend, deliver in terms of its budget.
 - ✓ **Governance** - that the Municipality has appropriate capacity and stability to ensure the long term sustainability of service delivery.

Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- ✓ Economic Development
- ✓ LED support and implementation
- ✓ Integrated Land Use Management System
- ✓ Implementation and monitoring of Performance Management System (PMS)
- ✓ Environmental Management
- ✓ Optimize tourism potential
- ✓ Rural Development

- ✓ Poverty alleviation, particularly in rural areas
- ✓ Service backlogs (water, sanitation, electricity, roads, storm water, solid waste, cleansing) needs to be addressed
- ✓ Upgrading, maintenance of roads and storm water, electricity, water, sewer and purification networks
- ✓ Improve access and linkages between towns, informal and rural settlements
- ✓ Public transportation should be improved. Bus and taxi ranks must be upgraded and the railway line should be better utilized. Improve solid waste management
- ✓ Broaden Revenue Base
- ✓ Implementation of the HIV/AIDS plan
- ✓ Crime prevention (Safety and Security)
- ✓ Construction of new and upgrading of existing educational facilities on all levels
- ✓ Development, however the lack of timely suitable engineering services have limited development at this point in time, however the municipality has embarked on the formulation of a development Strategic plan for accelerating infrastructure including development of a landfill site

Water supply

Vhembe District Municipality is the water service authority for Makhado Local Municipality. A service level agreement signed with Vhembe District and Makhado Local Municipality has the status of a water services provider. In some areas within the Makhado Local Municipality such as Air Force Base, boreholes are drying up and water consumption level is extremely high. The Air Force Base acquires water from the underground reserves thus this may result in a severe burden on the water source.

Most rural communities do not have access to water at household level. The provision of water is limited and the supply does not meet the required minimum RDP standards for water provision.

To ensure sustainable governance practices within the Municipality, the following should be adhered to:

- Corporate governance practices (legal compliance)
- Business leadership / management (planning, structuring, culture, performance management, stakeholder relations management, communication)
- Resource management (people management, financial management, ICT management, asset management)

1.6. Overview budget related policies

The municipality has various policies which relate to budgeting and financial management in the municipality. These Financial policies comply with the MFMA

and its promulgated regulations. The following budget related policies have been amended:

- Budget Policy – 2016/2017
- Credit Control and Debt Collection
- Subsidy Scheme on Indigents Policy
- Investment of Funds and Principles Policy
- Asset Management Policy
- Tariff and Free Basic Services Policy
- Principles on the Writing -off of Irrecoverable Debt Policy
- Budget Virement Policy Supply Chain Management Policy
- Borrowing Policy
- Funding and reserves policy
- Expenditure Management Policy
- Revenue Management Policy Revenue Property Rates policy
- Supply chain policy

By-laws

- Property Rates By-law

1.7. Overview of budget funding

The operating expenditure budget for 2016/2017 amounts to R 846 251 000 as compared to the previous revised budget of R 873, 584, 000 in the 2015/2016 financial year. The provision of free basic water and sanitation from Makhado Local Municipal and water infrastructure grant is allocated to Vhembe District Municipality.

A1 denotes budget summary, A3 and A4 attached to this report depicts budgeted financial performance, table A6 shows budgeted financial Position and table A7 shows budgeted cash flows for financial year 2016/17.

1.7.1. Income

The operating income for 2016/17 is budgeted at R 696 267 000 which leaves a marginal operating surplus of R 9 363 000- but includes non-cash items such as depreciation and impairment of bad debts amounting to R 135 678 000

Provision has been made to supply all households serviced by the Council with 6kl of water free of charge. To partially cover the expenditure of the operating budget all tariffs of the Council will be investigated and where need be they will be adjusted in line with the MFMA Circular no. 79.

| R thousands | Adjusted Budget 2015/16 | Budget Year 2016/17 | Variance |
|--|------------------------------------|--------------------------------|---------------------|
| Property rates | 49,711,000 | 52 992 000 | 5 081 000 |
| Service charges | 291 863 000 | 314 562 000 | 22 966 000 |
| Investment revenue | 3,785,000 | 4 035 000 | 250 000 |
| Transfers recognized - operational | 363,596,000 | 291,230,000 | (72,366,000) |
| Other own revenue | 31 379 000 | 33 448 000 | 2 069 000 |
| Total Revenue (excluding capital transfers and contributions) | 740 334 000 | 696 267 000 | (44 067 000) |

1.7.2. Expenditure

The incremental expenditure does not increase in the same proportion as tariffs and service charges such as electricity and property rates hence they have various costing basis. Furthermore, projected electricity increases in tariffs will be capped by the Provisional NERSA indication, however, currently at 7.86% increase.

Funding of the operating budget is mainly from the Equitable share allocation, MIG operating subsidy grant and partial own income.

The municipality is currently reviewing the budget related processes to support the implementation of the Service Delivery and Budget Implementation Plan.

Salaries increased from R 248,316,000 for the 2015/2016 financial year's revised budget to an amount of R 262,055,000 for the 2016/2017 financial year (excluding councilors), For councilors the expenditure budgeted expenditure increased from R 24,997,000 to R 26,722,000 which is due to the fact that some critical vacancies will be filled in order to sustain service delivery and sustainable financial reporting. The total salary package of the Council amounts to 2.85% of the total expenditure.

| R thousands | Adjusted Budget | Budget Year 2016/17 | Variance in cost increase |
|---------------------------------|------------------------|--------------------------------|--------------------------------------|
| Employee costs | 248,316,000 | 262,055,000 | 13,739,000 |
| Remuneration of councilors | 24,997,000 | 26,722,000 | 1,725,000 |
| Depreciation & asset impairment | 153,426,000 | 125 678 000 | 27 748 000 |
| Finance charges | 7,343,000 | 7,527,000 | 184,000 |
| Materials and bulk purchases | 224,239,000 | 245 142 000 | 20 903 000 |
| Other expenditure | 215 263 000 | 179,126,000 | (36,137,000) |
| Total Expenditure | 873 584 000 | 846 251 000 | 27 333 333 |

Proposed tariff increase on other services are as follows:

| SERVICES | 2016/17 | 2017/2018 | 2017/2018 |
|----------------|---------|-----------|-----------|
| Electricity | 7.86% | 7.86% | 7.86% |
| Property rates | 6.6% | 6.2% | 5.9% |
| Other services | 6.6% | 6.2% | 5.9% |
| Sundry tariffs | 6.6% | 6.2% | 5.9% |

1.7.3. General expenses

General expense has been provided for at R 179 126 000 in 2016/2017 financial year operational estimates.

Repairs and maintenance has been provided at a cost of R 50 328 000, which is below the 8% norm against property plant and equipment

Operational contracts having future budgetary implications

- Extension of municipal offices
- Rental under fleet management - petrol cards and tracker systems and 3rd party road assistance to be introduced
- IT infrastructure upgrading and related policy overhaul in progress
- Phase in Data cleansing for revenue systems
- Infrastructure assets management consulting as required by accounting standards.
- Extensive Electricity Tariff restructuring consulting costs as recommended by NERSA and Eskom

1.8. Overview of budget assumptions

Introduction

This section of the budget report provide comprehensive summary of all the assumption used in the budget proposal. Budgets are prepared in an environment of uncertainty and assumptions need to be made about both internal and external factors that could impact on the budget during the course of the financial year. It should be noted that, the longer the period, the more uncertainly and vice versa, the two outer period as presented on the budget are more likely to be missed than the 2016/2017 estimates.

National Treasury estimate inflation rate of 6.6% in 2016 respectively. Inflation rate is expected to come within the targeted range of 5.9 % in 2017 - 2019.

Prices increases on various items on the budget were assumed as follows:

- Price movements on **bulk purchases**: Based on the application response awaiting from NERSA for the proposed electricity tariff increase of 7.86% also in line with the National Treasury guidance
- **Employee costs** were increased by 6.9 % which is also guided by national Treasury general employee costs increase
- **Overtime and leave payment**: it was assumed that leave will be paid only on termination due to resignation or death. It was assumed that the municipality will not purchase any leave in cash during the year.
- **Depreciation Expenses**: Depreciation expense reduced provisionally by 18% as we will not impair major assets and also transfer of assets to new municipality in next financial period
- **Interest on borrowing**: Currently prime lending rate is 10.25% and based on the inflation rate above, stable interest rate is expected during the budget period under review.
- **Collection rate**: collection rate of 89% was assumed during 2016/167 budget period. This was based on the current collection rate, and the fact that the focus economic growth suggests no major improvement in collection levels.

PART 2 – ANNUAL BUDGET TABLES

2.1. Capital budget

The capital required for 2016/2017 amounts to **R 140,276,000** of which **R 38,930,000** should be funded out internally generated income.

Many of the capital projects required by the Managers were reduced due to a lack of funds and the increasing maintenance costs and fund availability in the light of the municipality's financial constraints.

The composition of the Capital Budget is made up as follows:

| FUNDING SOURCE | 2016/2017 | 2017/2018 | 2018/2019 |
|-----------------------|------------------|------------------|------------------|
| INCOME | 38,930,000 | 69,695,000 | 31,130,000 |
| MIG | 85,346,000 | 91,765,000 | 97,142,000 |
| INEP | 16,000,000 | 25,000,000 | 25,000,000 |
| TOTAL | 140,276,000 | 186,460,000 | 158,272,000 |

The growth in the expenditure budget is mainly attributed to:

- Increased spending to addressing maintenance backlogs in infrastructure
- Increased spending on employee related costs

- Increased spending attributable to bulk purchasing costs for electricity and increased servicing cost relating to borrowing.
- On-going issues requiring monitoring and evaluation, consequently, they should carefully be monitored and evaluated:
- Maintenance backlogs in respect of Council's assets – adequacy of budgetary provisions
- Maintenance of current collection rates
- Effectiveness of debt collection

2.1.1. Summary of electrification projects

Allocations on grants made by the municipality

Section 17 (3) (j) of the MFMA requires municipality to disclose in its budget documentation the amounts of *particulars of any proposed allocations or grants by the municipality to—*

- (i) *other municipalities;*
- (ii) *any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;*
- (iii) *any other organs of state;*
- (iv) *any organisations or bodies referred to in section 67 (1);*

The Council allocates grants-in-aid, discretionary grants, and grants by councilors (included in the operating budget) on an annual basis to needy organizations, based on business plans indicating the proposed usage of such funds.

On funding of the budget, **Section 18(1)** of the MFMA states that

An annual budget may only be funded from -

- (a) *realistically anticipated revenues to be collected;*
- (b) *cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and*
- (c) *borrowed funds, but only for the capital budget referred to in section 17 (2).*

2.1.1. Funding source for the Capital Budget:

Confirmed to date Capital Budget is funded largely from government grants, mainly from MIG which amounts to R 85,346,000 in 2016/17. The own funded projects is proposed to be funded from own funding to the value of million.

The following is the summary of grants allocations as per provisional DORA gazette

| MAKHADO MUNICIPALITY DORA ALLOCATION | FINANCIAL YEARS | | |
|---|-----------------|-----------|-----------|
| | 2016/2017 | 2017/2018 | 2018/2019 |
| Local Government Financial | 1,625,0000 | 1,700,000 | 1,700,000 |

| MAKHADO MUNICIPALITY DORA ALLOCATION | FINANCIAL YEARS | | |
|---|--------------------|--------------------|--------------------|
| | 2016/2017 | 2017/2018 | 2018/2019 |
| Management Grant | | | |
| Municipal System Improvement Grant | | | 761,000 |
| Municipal Infrastructure Grant | 85,346,000 | 91,765,000 | 97,142,000 |
| Integrated National Electrification Programme Grant | 16,000,000 | 22,000,000 | 25,000,000 |
| Equitable Shares | 275,985,000 | 296,533,000 | 315,879,000 |
| Demarcation Transition Grant | 6,714,000 | 2,282,000 | |
| EPWP Grant | 1,281,000 | | |
| Energy Efficiency & Demand Side Management | 5,625,000 | 5,000,000 | 5,000,000 |
| TOTAL | 392,576,000 | 419,280,000 | 445,482,000 |

2.2. CASH FLOW PROJECTION

- Makhado Local Municipality projected to start the financial year with positive balance cash / cash equivalents and project an average collection rate for the coming financial year of 80-85%. Based on these assumptions the projected income for the year will exceed the projected expenditure.
- It is therefore important that the impact of increased expenditures for each service delivery area be carefully considered with the next budget cycle to ensure that each service remains financially sustainable over the medium term with the least impact on the communities.
- The adjustment budget will have significant effect on the service delivery targets and performance indicators of Council thus revision is required per department.

Projected cash flow is attached and suggest the projected cash flow surplus of R44 161 000 , 30 June 2017 which will be mainly supported by the cash investment that will be rolled forward to 2016/2017 financial year.

- The average collection rate for main tariffs for the current financial year to date is 85%
- It is suggested that the proposed expenditure levels be reduced to maintain stability in payment of creditors within 30 days of receipt of invoice. Therefore the municipality will have to monitor its operational expenditure closely and safe as much as possible, curb all non-essential and non-service delivery expenditure and ensure that the budgeted collection rate is achieved to enable the municipality to function efficiently and deliver services to the community.
- It is recommended that the municipality's proposed operating and own funded capital budget is reduced for the time being and if the collection rate of 85% is proved to be achievable and maintainable, the surplus that may become available in the next 36 month period could then be utilized to motivate an increase in the own funded capital budget at the time when the municipality considers its adjustments budget

2.3. Budget process and key stakeholder relations

| | |
|------------------|--|
| 31 August | <ul style="list-style-type: none"> • The Mayor tables at Council for approval the IDP and Budget Process Plan in terms of Section 21 of the Municipal Systems Act and Section 34 of the Municipal Finance Management Act. • Distribution of the Council approved IDP and Budget Process Plan to all relevant stakeholders. |
| September | <ul style="list-style-type: none"> • Strategic Planning Session to review the current strategic plan of the Municipality, review of past service delivery performance and determine future multiyear political priorities, KPAs, KPIs and Programmes. |
| October | <ul style="list-style-type: none"> • The Budget Office prepares an initial Medium Term Financial Forecast (MTFF) and indicates the likely level of resources to be available. • Public Consultation Process with the community, and other key stakeholders on service delivery performance for the prior year and current year-to-date. Share information on the political priorities and Programmes planned for the year/s ahead. Confirmation of ward based priority needs for the year/s ahead. |
| November | <ul style="list-style-type: none"> • Compile report on the needs for the year/s ahead obtained from the community and other key stakeholders. Prioritization process of community needs and projects |

| | |
|--|---|
| <p>December-January</p> | <ul style="list-style-type: none"> • Second Strategic IDP/Budget Workshops for Mayoral Committee members and Senior Management Team: outcomes <ul style="list-style-type: none"> ✓ IDP proposals and Budget alignment ✓ Agreement of any changes the Mayor should propose to the IDP for 2016/17. • Finalize the review of the Municipal Situational Analysis Chapter (Chapter 2) of the IDP. • Senior Management start reviewing the stage one IDP/Budget/SDBIP process input forms (IDP changes, capital project proposals, and operational budget growth requests). |
| <p>January</p> <p>February</p> <p>March</p> | <p>The Mayor tables at Council:</p> <ul style="list-style-type: none"> • the 2015/16 mid-year performance and budget assessment reports • Review of the draft mid-year performance and budget monitoring reports. • The 2014/15 Annual Report • Agreement of the draft 2015/16 Adjustments Budget Report to be tabled at Council • Executive Management Team meets to: <ul style="list-style-type: none"> ✓ prepare for Strategic IDP/Budget/SDBIP Workshop ✓ discuss the draft 2016/2017 IDP inputs ✓ discuss the 2016/2017 budget proposals <p>Third Strategic IDP/Budget Workshop for Mayoral Committee members and Senior Management Team: outcomes</p> <ul style="list-style-type: none"> • Agreement of the proposed changes to be made to the IDP to be included in the March Council Report. • Agreement of the 2016/17 budget proposals to be included in the March Council Budget Report. <p>The IDP, Budget Report, and draft SDBIP tabled at all relevant Portfolio Committees and Mayoral Committee prior to tabling at Council.</p> <p>The Executive Mayor tables the Municipality's Draft 2016/17 Budget Report and IDP at Council.</p> |

| | |
|--------------|--|
| April | <p>Statutory public participation process undertaken on the tabled Draft IDP and Budget for 2016/17. Council obtains the views of the local community, National Treasury, Provincial Treasury, other district, provincial and national organs of state and municipalities.</p> <p>Finalization of 2016/2017 SDBIP.</p> <p>The IDP, Budget Report, and draft SDBIP tabled at all relevant Portfolio Committees and Mayoral Committee prior to tabling at Council.</p> <p>The Executive Mayor tables the Municipality's 2016/17 Budget Report, IDP, and draft SDBIP at Council for final approval on 30 April 2016.</p> <p>The IDP and Budget Reports are placed on the municipality's website and sent to National and Provincial Treasuries.</p> |
| June | <p>The Executive Mayor must agree and approve the 2016/2017 SDBIP within 28 days after approval of the budget and ensure that annual performance contracts are concluded in accordance with section 57(2) of the Municipal Systems Act. The Executive Mayor to ensure that the annual performance agreements are linked to the measurable performance objectives approved with the budget and SDBIP. The Executive Mayor submits the approved 2016/2017 SDBIP and performance agreements to Council, MEC for local government, and makes it public within 14 days after approval.</p> |

Special Council Meeting Executive mayor tables budget (pre-community consultation) to Council

- Final Budget Made available on the municipality's website, municipal offices and notice placed in all major newspapers informing members of the public about the final budget and inviting written submissions/representations.
- Budget discussions Ward committees/Stakeholders.
- Community consultation to present and discuss the draft budget proposals
- and receive inputs/ submissions
- Closing of Public and internal Submissions to close on end of Mid April 2016.
- Special Council Meeting Mayor delivers budget speech and submits final budget to Council for consideration and approval.

Process to record and integrate inputs from the community

- After consideration of all budget submissions the Executive Mayor must be given the opportunity to respond, if necessary revise the budget and table amendments for consideration.
- To ensure that all community inputs are recorded and integrated, throughout the consultation period, a system were initiated to ensure that:
- All written submissions were required to be directed to the main municipal offices for further reprocessing department, who would maintain a record of lodgments and direct submissions to the appropriate department for comment and recommendation.
- All verbal questions at community consultation meetings would be recorded, together with the answer provided at the meeting or referred an appropriate representative to the appropriate department for comment and recommendation.
- Where possible, the submissions and presentations received during the community consultation process and additional information regarding revenue and expenditure will be addressed before tabling of the final budget.

SDBIP

The SDBIP document is at final preparation stage taking into considerations provisions of the MFMA

Audit committee

An audit committee has been established in terms of the MFMA

Public:

All applicable By-laws to be adopted and the annual budget will be published in the municipal website.

Provincial Treasury

A copy of the Final budget will be submitted to National Treasury

National Treasury

A copy of the Final budget will be submitted to National Treasury

2.4. Recommendations (administrative management)

- 2.4.1. THAT the final Capital and Operational Estimates for the 2016/2017 financial year as more fully recorded in Annexure A attached to the report in this regard be approved and that the Accounting Officer proceeds with the publication of the final Annual Budget as purposed in section 22 of the Local Government: Municipal Finance Management Act, No 56 of 2003, and the Regulations promulgated in terms thereof.
- 2.4.2. THAT the following 2016/2017 budget related policies be approved as more fully set out in Annexures 1 to Annexure 18 attached to the report in this regard-

Policies

- 2.4.1. Virement Policy
 - 2.4.2. Credit Control and Debt Collection Policy
 - 2.4.3. Tariff policy free basic services/indigent policy
 - 2.4.4. Borrowing policy
 - 2.4.5. Expenditure Management Policy
 - 2.4.6. Funding and Reserves Policy
 - 2.4.7. Budget Policy
 - 2.4.8. Framework for cash flow management
 - 2.4.9. Asset management policy
 - 2.4.10. Investment Policy
 - 2.4.11. Subsidy for indigent household policy
 - 2.4.12. Uniform Credit Control Policy
 - 2.4.13. Debt written off policy
 - 2.4.14. Property Rates Policy
 - 2.4.15. Property Rates By-Law
 - 2.4.16. Supply Chain Management Policy
 - 2.4.17. Revenue Management Policy
 - 2.4.18. Travel and Subsistence Policy
- 2.4.3. THAT note be taken of any amendments to the contents of the Property Rates By-law, of which the necessary promulgations provisions related to municipal property rates will be undertaken after public consultation thereof.
- 2.4.4. THAT it be noted that the 2016/2017 Estimates will after approval by the Council in terms of section 22 of the Municipal Finance Management Act, be submitted to National Treasury and the Provincial Treasury.

PART 3 – ANNUAL BUDGET TABLES

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| | | |
| C1 | CAPEX detailed breakdown of projects listing | |
| A1 | Budget Summary | |
| A3 | Budgeted Financial Performance (revenue and expenditure by municipal vote) | |
| A4 | Budgeted Financial Performance (revenue and expenditure) | |
| A5 | Budgeted Capital Expenditure by vote, standard classification and funding | |
| A6 | Budgeted Financial Position | |
| SA 30 | Budgeted Cash Flows | |
| A7 | Budgeted Cash Flows | |

FINAL ANNUAL CAPITAL BUDGET 2016/2017 TO 2018/2019 FINANCIAL YEAR

TECHNICAL SERVICES DEPARTMENT

| ELECTRICAL ENGINEERING | | | | | | | |
|------------------------|-------|--------|-------------------------|---------|------------|------------|------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 697 | 413800 | Air conditioners | INCOME | 150 000.00 | 330 000.00 | 330 000.00 |
| MC | 697 | 413649 | Car ports | INCOME | - | - | - |
| MC | 697 | 413803 | CT VT Units 11kv & 22kV | INCOME | 400 000.00 | 300 000.00 | 300 000.00 |

| | | | | | | | |
|----|-----|--------|--|--------|--------------|---------------|---------------|
| MC | 697 | 413805 | Low voltage problems Rural Farming | INCOME | 500 000.00 | 1 000 000.00 | 1 000 000.00 |
| MC | 697 | 413504 | Mini Subs | INCOME | 700 000.00 | 1 300 000.00 | 1 300 000.00 |
| MC | 697 | 413508 | MV Cable 70mm ² 11kV - urban network | INCOME | 500 000.00 | 800 000.00 | 800 000.00 |
| MC | 697 | 413509 | MV cable 95mm ² 22kV | INCOME | - | - | 1 400 000.00 |
| MC | 697 | 413809 | Power/Distribution transformer repairs | INCOME | - | 1 000 000.00 | 1 000 000.00 |
| MC | 697 | 413514 | Recloser and controllers whole network | INCOME | 1 200 000.00 | 600 000.00 | 600 000.00 |
| MC | 697 | 413814 | Remote control of switch gear Tshipise & Levubu sub and line controllers | INCOME | - | 200 000.00 | 200 000.00 |
| MC | 697 | 413678 | Replace Line protection control Panel complete Makhado Sub | INCOME | - | 1 000 000.00 | 1 000 000.00 |
| MC | 697 | 413737 | Ring Main Units 11kV (RMU) | INCOME | 500 000.00 | 400 000.00 | 400 000.00 |
| MC | 697 | 413818 | Strategic Spares | INCOME | 200 000.00 | 500 000.00 | 500 000.00 |
| MC | 697 | 413692 | Sub Station battery chargers | INCOME | - | - | - |
| MC | 697 | 413547 | Transformers 2x10MVA 22/11 | INCOME | - | 2 000 000.00 | - |
| MC | 697 | 413567 | Transformers 2x5MVA 22/11 | INCOME | - | 3 000 000.00 | - |
| MC | 697 | 413585 | Transformers 1x5MVA 22/11 | INCOME | - | | |
| MC | 452 | 413823 | Upgrade Bandelierkop line | INCOME | - | 250 000.00 | 250 000.00 |
| MC | 697 | 413821 | Upgrade Industrial line | INCOME | 300 000.00 | - | - |
| MC | 454 | 413825 | Upgrade Levubu line 1 | INCOME | - | 2 000 000.00 | 2 000 000.00 |
| MC | 454 | 413827 | Upgrade Levubu 2 line | INCOME | | 200 000.00 | 200 000.00 |
| MC | 454 | 413832 | Upgrade LV OHPL to UGPC EXT2 Multi Year | INCOME | | 3 000 000.00 | 3 000 000.00 |
| MC | 462 | 413828 | Upgrade Mara Line | INCOME | | 300 000.00 | 300 000.00 |
| MC | 458 | 413829 | Upgrade Shefeera Line | INCOME | 300 000.00 | 200 000.00 | 200 000.00 |
| MC | 697 | 413556 | Upgrade and reroute Beaufort West line | INCOME | 1 000 000.00 | 100 000.00 | 100 000.00 |
| MC | 697 | 413698 | Upgrade Urban Substations | INCOME | 5 000 000.00 | 5 000 000.00 | |
| MC | 697 | 413556 | Upgrading reroute transmission line 66kV bulk supply to Levubu and Beaufort subs | INCOME | - | 10 000 000.00 | 10 000 000.00 |
| MC | 697 | 413822 | Upgrading bulk supply Sinthimule | INCOME | - | 3 000 000.00 | - |
| MC | 697 | 413553 | Upgrading bulk supply Tshipise Leeudraai | INCOME | - | 4 000 000.00 | - |
| MC | 697 | 413554 | Upgrading bulk supply Tshithuni 2.5MVA | INCOME | 3 000 000.00 | - | - |
| MC | 697 | 413640 | Upgrading Mountain line | INCOME | 300 000.00 | 500 000.00 | 500 000.00 |
| MC | 697 | 413665 | Replace OCB (outdoor circuit breakers - main substation) | INCOME | 1 000 000.00 | 1 000 000.00 | 1 000 000.00 |

| | | | | | | | |
|--------------|-----|--------|---------------------------------------|--------|----------------------|----------------------|----------------------|
| MC | 697 | 413558 | Substation channel cover replacements | INCOME | 250 000.00 | | |
| MC | 697 | 413599 | Transformer oil purification | INCOME | 350 000.00 | 350 000.00 | 350 000.00 |
| MC | 697 | 413812 | Substation control room renovations | INCOME | 100 000.00 | 200 000.00 | 200 000.00 |
| MC | 697 | 413813 | Service OCB's | INCOME | 200 000.00 | 200 000.00 | 200 000.00 |
| MC | 697 | 413815 | Transformer refurbishment (Levubu) | INCOME | 600 000.00 | 600 000.00 | 600 000.00 |
| TOTAL | | | | | 16 550 000.00 | 43 330 000.00 | 27 730 000.00 |

| ELECTRIFICATION | | | | | | | |
|------------------------|--------------|-------------|---|----------------|------------------|------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 678 | 407225 | Bush valley | INCOME | - | 2 000 000.00 | - |
| MC | 678 | 407256 | Electrification in Eskom Areas | INEP | - | 25 000 000.00 | 25 000 000.00 |
| MC | 678 | 407146 | Rathidili Tshikhwani | INEP | 1 663 485.12 | - | - |
| MC | 678 | 407147 | Maname Paradise | INEP | 831 742.56 | - | - |
| MC | 678 | 407148 | Ratombo sections(Tshituni tsha fhasi) Phase-2 | INEP | 1 708 852.90 | - | - |
| MC | 678 | 407149 | Tshiozwi/Gogobole Phase-2 | INEP | 1 512 259.20 | - | - |
| MC | 678 | 407150 | Magau/Makhitha/Tshikodobo/Zamekom Phase-2 | INEP | 937 600.70 | - | - |
| MC | 678 | 407236 | Mamburu Phase-2 | INEP | 1 512 259.20 | - | - |
| MC | 678 | 407196 | Madabani | INEP | 831 742.56 | - | - |
| MC | 678 | 407197 | Sukani Phase-2 | INEP | 1 814 814.72 | - | - |
| MC | 678 | 407198 | Freedom / Lusaka Phase-2 | INEP | 1 209 876.48 | - | - |
| MC | 678 | 407199 | Manavhela/ Madodonga phase 2 | INEP | 1 829 938.18 | - | - |
| MC | 678 | 407200 | Mavhunga (Muromani) | INEP | 1 279 886.38 | - | - |
| MC | 678 | 407227 | Vyeboom Electrification | INEP | 867 542.00 | - | - |
| MC | 678 | 407201 | Rathidili Tshikhwani | INCOME | 259 919.55 | - | - |
| MC | 678 | 407202 | Maname Paradise | INCOME | 129 959.78 | - | - |
| MC | 678 | 407203 | Ratombo sections(Tshituni tsha fhasi) Phase-2 | INCOME | 472 581.00 | - | - |

| | | | | | | | |
|--------------|-----|--------|---|--------|----------------------|----------------------|----------------------|
| MC | 678 | 407204 | Tshiozwi/Gogobole Phase-2 | INCOME | 236 290.50 | - | - |
| MC | 678 | 407206 | Magau/Makhitha/Tshikodobo/Zamekom Phase-2 | INCOME | 146 500.11 | - | - |
| MC | 678 | 407207 | Mamburu Phase-2 | INCOME | 354 435.75 | - | - |
| MC | 678 | 407208 | Madabani | INCOME | 129 959.78 | - | - |
| MC | 678 | 407209 | Sukani Phase-2 | INCOME | 217 399.68 | - | - |
| MC | 678 | 407210 | Freedom / Lusaka Phase-2 | INCOME | 125 241.12 | - | - |
| MC | 678 | 407211 | Manavhela/ Madodonga phase 2 | INCOME | 285 927.84 | - | - |
| MC | 678 | 407212 | Mavhunga (Muromani) | INCOME | 141 784.90 | - | - |
| MC | 678 | 407257 | Electrification in Eskom Areas top up from income | INCOME | - | 3 000 000.00 | 3 000 000.00 |
| MC | 678 | 407226 | Eltivillas Extension | INCOME | - | - | - |
| MC | 678 | 407228 | Extenuation 9 development | INCOME | - | - | - |
| MC | 678 | 407223 | Leeu street development Ext 13 | INCOME | - | - | - |
| MC | 678 | 407224 | Link and bulk services Ext 12 (38 erven) | INCOME | - | - | - |
| MC | 678 | 407221 | Post Connection own licensed areas | INCOME | 2 000 000.00 | 500 000.00 | 500 000.00 |
| MC | 678 | 407222 | South of Pretorius Str Bulk supply Engineering | INCOME | - | 2 500 000.00 | 2 500 000.00 |
| TOTAL | | | | | 20 500 000.00 | 33 000 000.00 | 31 000 000.00 |

37 050 000.00 76 330 000.00 58 730 000.00

| CIVIL ENGINEERING SECTION | | | | | | | |
|----------------------------------|--------------|-------------|--|----------------|------------------|------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 657 | 401208 | OK/ Shoprite Traders market revitalization project | MIG | 500 000.00 | 2 500 000.00 | 2 500 000.00 |
| MC | 645 | 401209 | Sereni Themba to Mashamba post office (phase 3) | MIG | 11 800 000.00 | - | - |
| MC | 645 | 401203 | Waterval stormwater rehabilittion | MIG | - | 9 500 000.00 | 9 500 000.00 |
| MC | 645 | 401262 | Robert khoza street (chavani to bungeni road) | MIG | 9 246 000.00 | 18 200 000.00 | 20 000 000.00 |

| | | | | | | | |
|----|-----|--------|---|-----|---------------|---------------|---------------|
| MC | 645 | 401265 | Piesanghoek to Khunda road and stormwater Phase II | MIG | - | 14 000 000.00 | - |
| MC | 645 | 401295 | Tshikwarani to Zamkomste Road - 4.5km | MIG | 11 800 000.00 | - | - |
| MC | 645 | 401296 | Tshirolwe,Matsa to Manyi road P1- 20km | MIG | 11 800 000.00 | - | - |
| MC | 645 | 401297 | Tshedza to Vuvha road- 4.3 km | MIG | 11 800 000.00 | - | - |
| MC | 645 | 402140 | Gombiti,Tshivhuyuni to Mamphagi P1- 15km | MIG | 11 800 000.00 | - | - |
| MC | 645 | 401237 | Xitacini to Jiweni P1 - 6.1km | MIG | 11 800 000.00 | - | - |
| MC | 645 | 401275 | Tshikwarani ,Muduluni and Manavhela High mast lights | MIG | - | 5 000 000.00 | 5 000 000.00 |
| MC | 645 | 401276 | Mingard entrance bridge to Chief Mbokota | MIG | - | 6 500 000.00 | 6 500 000.00 |
| MC | 645 | 401279 | Rivoni to Xihlobyeni access road | MIG | - | 8 000 000.00 | 8 000 000.00 |
| MC | 645 | 401284 | Luvhalani to Dzananza access roads | MIG | - | 4 965 000.00 | 5 000 000.00 |
| MC | 645 | 401285 | Tshituni,Matidza and Rabali High mast lights | MIG | - | 4 000 000.00 | 4 000 000.00 |
| MC | 645 | 401287 | Construction of Tshivhuyuni sports and recreational facilities | MIG | - | 5 000 000.00 | 4 642 000.00 |
| MC | 645 | 401288 | Provision of sports centre in Eltivillas/Makhado park | MIG | - | 1 000 000.00 | 15 000 000.00 |
| MC | 645 | 401290 | High mast lights Elim,Waterval and Mpheni | MIG | - | 4 000 000.00 | 5 000 000.00 |
| MC | 645 | 401292 | High mast lights Madombidzha/Tshiozwi/Rathidili/Ravele/Madabani/Muraleni | MIG | - | 4 000 000.00 | 5 000 000.00 |
| MC | 645 | 401303 | Fencing of eight graveyards | MIG | 2 500 000.00 | 2 300 000.00 | |
| MC | 645 | 401301 | Construction of Admin Block Makhado(Testing Ground) | MIG | - | 1 000 000.00 | 7 000 000.00 |
| MC | 321 | 411221 | Development of refuse transfer station for Waterval Region | MIG | 500 000.00 | 1 800 000.00 | - |

| | | | | | | | |
|--------------|-----|--------|---|-----|----------------------|----------------------|----------------------|
| MC | 321 | 411226 | Construction of waste Disposal Cell (New landfill) | MIG | 500 000.00 | - | - |
| MC | 645 | | Upgrade Dzanani Trasnfer Station - Elec + Guard rooom | MIG | 800 000.00 | - | - |
| MC | 645 | | Development of Kutama/Sinthumule Stadium | MIG | 500 000.00 | | |
| TOTAL | | | | | 85 346 000.00 | 91 765 000.00 | 97 142 000.00 |

| BUILDING MAINTENANCE | | | | | | | |
|-----------------------------|--------------|-------------|--|----------------|-------------------|---------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 657 | 404030 | Refurbishment of Old Age rental Flats | INCOME | - | 700 000.00 | - |
| MC | 657 | 404046 | Refurbishment of Caravan Park buildings | INCOME | 300 000.00 | - | - |
| MC | | | Abulution of Tree Park facility | INCOME | 150 000.00 | - | - |
| MC | 657 | 404047 | Refurbishment of electrical Store and Warehouse | INCOME | - | 800 000.00 | - |
| MC | 657 | 404049 | Installation of fence at Vleifontein Hall and Office | INCOME | - | - | - |
| MC | 657 | 404051 | Palisade fence at Dzanani Regional office | INCOME | - | - | - |
| MC | 657 | 404053 | Construction of pay point at Zamekomste | INCOME | - | 300 000.00 | - |
| MC | 657 | 404054 | Civic Centre external wall Painting | INCOME | - | - | - |
| MC | 657 | 404055 | New offices parking steel work | INCOME | - | - | - |
| MC | 657 | 404056 | Standby quarters perimeter wall (Electrical) | INCOME | 225 000.00 | - | - |
| TOTAL | | | | | 675 000.00 | 1 800 000.00 | - |

| ROADS AND STORM WATER | | | | | | | |
|------------------------------|--------------|-------------|--|----------------|------------------|------------------|------------------|
| NO | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 694 | 411778 | Horizotal water (Water Tank 500 L fitted on trailer) | INCOME | | - | - |
| MC | 694 | 411779 | Hand operated Chip Spreader | INCOME | | - | - |
| MC | | 401229 | Rehabilitation of Internal Streets | INCOME | 3 000 000.00 | - | - |

| | | | | | | | |
|--------------|-----|--------|--|--------|---------------------|-------------------|----------|
| | 645 | | | | | | |
| MC | 645 | 401230 | Feasibility study for development of Aerodrome | INCOME | - | 750 000.00 | - |
| TOTAL | | | | | 3 000 000.00 | 750 000.00 | - |

| PROVISION OF TOOLS, EQUIPMENT & MATERIALS (MECHANICAL WORKSHOP) | | | | | | | |
|---|------|--------|---|---------|-------------------|-----------|-----------|
| NO | DEPT | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 645 | 401221 | Remove underground fuel tanks and rehabilitate the soil | INCOME | 900 000.00 | - | - |
| TOTAL | | | | | 900 000.00 | - | - |

TOTAL TECHNICAL SERVICES BUDGET

| | | |
|-----------------------|-----------------------|-----------------------|
| 126 971 000.00 | 170 645 000.00 | 155 872 000.00 |
|-----------------------|-----------------------|-----------------------|

| | | |
|---------------|---------------|---------------|
| 25 625 000.00 | 53 880 000.00 | 33 730 000.00 |
|---------------|---------------|---------------|

BUDGET AND TREASURY

| ASSETS MANAGEMENT SECTION | | | | | | | |
|----------------------------------|------|--------|--------------------------------------|---------|------------|------------|------------|
| COD E | DEPT | ITE M | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 281 | 414102 | Office Furniture -Whole municipality | INCOME | 800 000.00 | 400 000.00 | 400 000.00 |

| | | | | | | | |
|--------------|-----|------------|--------------------|--------|---------------------|-------------------|-------------------|
| MC | 702 | 41552 5 | Municipal Vehicles | INCOME | 2 000 000.00 | - | - |
| TOTAL | | | | | 2 800 000.00 | 400 000.00 | 400 000.00 |

TOTAL BUDGET AND TREASURY BUDGET

| | | |
|---------------------|-------------------|-------------------|
| 2 800 000.00 | 400 000.00 | 400 000.00 |
|---------------------|-------------------|-------------------|

CORPORATE SERVICES DEPARTMENT

| UPGRADE AND ACQUISITION OF NETWORK AND COMMUNICATION SYSTEMS - ICT | | | | | | | |
|---|--------------|-------------|--|----------------|---------------------|---------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 694 | 411200 | Implement automisation of municipal call centre | INCOME | 500 000.00 | - | - |
| MC | 694 | 411201 | Upgrade of network infrastructure (regional offices) | INCOME | 100 000.00 | 100 000.00 | - |
| MC | 694 | 411202 | Upgrade of server harddrives to increase capacity | INCOME | 150 000.00 | 50 000.00 | - |
| MC | 694 | 411203 | Upgrade of server room to meet minimum standards | INCOME | 50 000.00 | - | - |
| MC | 694 | 411204 | Upgrade software Office 2010 to Office 2016 | INCOME | - | 1 000 000.00 | - |
| MC | 694 | 411205 | Additional Range of IP addresses | INCOME | 15 000.00 | 15 000.00 | - |
| MC | 694 | 411206 | CAL increase from 250 to 300 | INCOME | - | 200 000.00 | - |
| MC | 694 | 411207 | Network infrastructure new offices Civic Center | INCOME | 230 000.00 | - | - |
| MC | 694 | 411208 | New VEEAM backup server | INCOME | 150 000.00 | - | - |
| MC | 694 | 411213 | Add extra telephone points at Municipal Stores complex | INCOME | 200 000.00 | - | - |
| MC | 694 | 411214 | Implementation MCGICTP, 2015 | INCOME | 500 000.00 | - | - |
| MC | 694 | 411215 | Planning & Phase 1: Develop electricity control center | INCOME | - | 300 000.00 | - |
| MC | 694 | 411216 | ESS Software (for employee leave application apart from existing VIP Leave module) | INCOME | 200 000.00 | - | - |
| MC | 694 | 411217 | Micro Station Engineering Design Tool software including CAD & GIS for elec | INCOME | - | - | - |
| TOTAL | | | | | 2 095 000.00 | 1 665 000.00 | - |

| COUNCIL GENERAL | | | | | | | |
|-----------------|-------|--------|---|---------|-----------|-----------|-----------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 694 | 411219 | Replace fixed sound & recording system in Council Chamber | INCOME | - | - | - |
| TOTAL | | | | | - | - | - |

| COMMUNICATIONS DIVISION | | | | | | | |
|-------------------------|-------|--------|--------------------------|---------|-----------|-----------|-----------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 694 | 411223 | Revamp municipal website | INCOME | 60 000.00 | - | - |
| TOTAL | | | | | 60 000.00 | - | - |

| PROVISION OF OFFICE FURNITURE AND EQUIPMENTS COLLECTIVE NEED FOR CORPORATE SERVICES DEPARTMENT ONLY | | | | | | | |
|---|-------|--------|---|---------|------------|------------|------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 281 | 414103 | Laptops/Computers/Printers Whole Municipality/desktop | INCOME | 400 000.00 | 400 000.00 | 400 000.00 |
| TOTAL | | | | | 400 000.00 | 400 000.00 | 400 000.00 |

TOTAL CORPORATE SERVICES BUDGET

| | | |
|--------------|--------------|------------|
| 2 555 000.00 | 2 065 000.00 | 400 000.00 |
|--------------|--------------|------------|

COMMUNITY SERVICES DEPARTMENT

| LIBRARY SERVICES |
|------------------|
|------------------|

| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
|--------------|--------------|-------------|---|----------------|---------------------|------------------|------------------|
| MC | 694 | 411254 | Extension of Library buildings | INCOME | - | - | 50 000.00 |
| MC | 694 | 411255 | Library Roof | INCOME | 1 200 000.00 | - | - |
| MC | 694 | 411260 | 1 x Pyramid 6 position Computer carrels | INCOME | 20 000.00 | | |
| MC | 694 | 411261 | 6 x Portable Scanner- stock taking | INCOME | - | - | - |
| TOTAL | | | | | 1 220 000.00 | - | 50 000.00 |

| PARKS AND RECREATION SECTION | | | | | | | |
|-------------------------------------|--------------|-------------|--|----------------|---------------------|---------------------|-------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 657 | 404069 | Development of E59 and E60 Park(Makhado Town) | INCOME | 400 000.00 | - | - |
| MC | 657 | 404070 | Devolopment of Bird Park (Makhado Town) | INCOME | - | 500 000.00 | - |
| MC | 657 | 404071 | Development of Dzanani Park next to Shopping Mall | INCOME | - | - | 400 000.00 |
| MC | 657 | 404072 | Development of Vuwani Park (next to Science and Technology Centre) | INCOME | . | - | - |
| MC | 657 | 404073 | Refurbishment and upgrading of Caravan Park | INCOME | - | - | - |
| MC | 657 | 404078 | Refurnish and fencing Eltivillas Swimming Pool | INCOME | | | 150 000.00 |
| MC | 657 | 404074 | Redesign Town Swimming Pool | INCOME | - | - | - |
| MC | 657 | 404075 | Refurbishment and upgrading of corner Tshiruluni (Meerkat Park) | INCOME | - | - | - |
| MC | 657 | 404076 | Refurbishemnt and upgrading of Civic Centre park | INCOME | - | 500 000.00 | - |
| MC | 657 | 404077 | Refurbishment of Potgieter Park | INCOME | 300 000.00 | - | - |
| MC | 694 | 411511 | Purchasing of 7 x self-propelled heavy duty Lawnmowers | INCOME | - | 300 000.00 | - |
| MC | 694 | 411517 | Construction of Tshikota cemetery ablution facilities | INCOME | 200 000.00 | - | - |
| MC | 553 | 413105 | Construction of cattle pound /loding zone at Tshitale (Waterval) | INCOME | - | - | - |
| MC | 694 | 411518 | Paving at the open Erf 1 -N1 | INCOME | 1 000 000.00 | - | - |
| TOTAL | | | | | 1 900 000.00 | 1 300 000.00 | 550 000.00 |

| WASTE MANAGEMENT | | | | | | | |
|-------------------------|--------------|-------------|--|----------------|---------------------|-------------------|---------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 321 | 411222 | Rehabilitation of the existing Landfill site | INCOME | 3 000 000.00 | 200 000.00 | - |
| MC | 321 | 411200 | 25 Skip Bins | INCOME | - | 450 000.00 | - |
| MC | 321 | 411202 | 1000 x 240L Wheelie bins | INCOME | - | - | 1 000 000.00 |
| MC | 321 | 411204 | Wood Chipper Machine | INCOME | - | 100 000.00 | - |
| MC | 321 | 411205 | Builder Rubble Crusher Machine | INCOME | | | - |
| MC | 321 | 411206 | Vondeling Landfill Gas extraction | INCOME | - | - | - |
| TOTAL | | | | | 3 000 000.00 | 750 000.00 | 1 000 000.00 |

| DZANANI TRAFFIC STATION | | | | | | | |
|--------------------------------|--------------|-------------|---|----------------|------------------|-------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 82 | 413200 | Upgrading of Vehicle Testing station (Grade B to A) | INCOME | - | 300 000.00 | |
| MC | 82 | 413201 | Carport for employees (Bricks and Zinc Structure) | INCOME | 50 000.00 | - | - |
| MC | 694 | 411522 | Special Garage Roller Door for VTS and 2x 30m long chains | INCOME | - | - | - |
| TOTAL | | | | | 50 000.00 | 300 000.00 | - |

| MAKHADO TRAFFIC STATION | | | | | | | |
|--------------------------------|--------------|-------------|--|----------------|------------------|---------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 181 | 411200 | Upgrading DLTC (landscaping of testing ground) | INCOME | - | - | - |
| MC | 181 | 411201 | Construction of Admin Block (Testing Ground) | INCOME | - | 5 000 000.00 | - |
| MC | 181 | 411206 | Borehole ,Stand and Tank at Testing Ground | INCOME | - | - | - |
| TOTAL | | | | | - | 5 000 000.00 | - |

| WATERVAL TRAFFIC STATION | | | | | | | |
|---------------------------------|--|--|--|--|--|--|--|
|---------------------------------|--|--|--|--|--|--|--|

| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
|------------------|------------------|-------------|--|----------------|-------------------|------------------|------------------|
| MC | 553 | 413101 | Establishment of Watervaal Registering Authority | INCOME | 200 000.00 | - | - |
| MC | 553 | 413102 | Standby (backup)Electricity power Generator | INCOME | - | - | - |
| TOTAL | | | | | 200 000.00 | - | - |

| DISASTER MANAGEMENT | | | | | | | |
|----------------------------|------------------|-------------|--------------------|----------------|------------------|------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 694 | 411616 | Tents | INCOME | | | |
| TOTAL | | | | | - | - | - |

TOTAL COMMUNITY SERVICES BUDGET

| | | |
|---------------------|---------------------|---------------------|
| 6 370 000.00 | 7 350 000.00 | 1 600 000.00 |
|---------------------|---------------------|---------------------|

REGIONAL OFFICES

| DZANANI REGIONAL OFFICE | | | | | | | |
|--------------------------------|------------------|-------------|--|----------------|------------------|------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 694 | 411667 | Standby generator and installation- office | INCOME | - | 300 000.00 | - |
| MC | 694 | 411668 | 2 x Water tanks | INCOME | 20 000.00 | - | - |
| TOTAL | | | | | 20 000.00 | - | - |

TOTAL REGIONAL OFFICES BUDGET

| | | |
|------------------|---|---|
| 20 000.00 | - | - |
|------------------|---|---|

PLANNING AND DEVELOPMENT

| BUILDING CONTROL | | | | | | | |
|-------------------------|------------------|-------------|---|----------------|---------------------|------------------|------------------|
| NO | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 694 | 411253 | Plan Print Machine for Building Section | INCOME | 250 000.00 | - | - |
| MC | 694 | 411255 | Development of Integrated Transport Plan- mive opex | INCOME | - | - | - |
| MC | 657 | 404015 | Extension of Civic Centre finalisation | INCOME | 100 000.00 | - | - |
| MC | 657 | 404017 | New Disaster centre -Erf 235 | INCOME | 500 000.00 | - | - |
| MC | 694 | 411256 | 18 x Aircons for new offices | INCOME | 200 000.00 | - | - |
| MC | 694 | 411258 | Mounted Overhead Projector -Municipal Boardroom | INCOME | 10 000.00 | - | - |
| MC | 694 | 411259 | Street names- R293 Townships | INCOME | 200 000.00 | - | - |
| TOTAL | | | | | 1 260 000.00 | - | - |

| TOWN PLANNING | | | | | | | |
|----------------------|------------------|-------------|--|----------------|------------------|------------------|------------------|
| COD E | DEP T | ITEM | DESCRIPTION | SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
| MC | 657 | 404005 | 1 x Theodolite for Survey Technician | INCOME | 100 000.00 | - | - |
| MC | 657 | 404007 | Information Recreational Park and Botanical Garden (Phase 2) | INCOME | - | 1 000 000.00 | - |
| MC | 657 | 404009 | Upgrading of Ayob Motors Traders Market | INCOME | - | - | - |
| MC | 657 | 404010 | Upgrading of Elim Traders Market | INCOME | - | - | - |
| MC | 657 | 404011 | Upgrading of Dzanani Traders Market | INCOME | - | 500 000.00 | - |
| MC | 657 | 404012 | Development of Industrial Park | INCOME | - | 1 000 000.00 | - |
| MC | 657 | 404013 | Planning/ Development of Municipal Truck Stop Facility | INCOME | - | - | - |
| MC | | | Informal Business Area development -Ext 12 | | | 3 000 000.00 | |
| MC | 657 | 404014 | Upgrading of Dzanani Traders Market | INCOME | 200 000.00 | 500 000.00 | - |

| | | | |
|--------------|-------------------|---------------------|----------|
| TOTAL | 300 000.00 | 6 000 000.00 | - |
|--------------|-------------------|---------------------|----------|

TOTAL PLANNING AND DEVELOPMENT BUDGET

| | | |
|---------------------|---------------------|----------|
| 1 560 000.00 | 6 000 000.00 | - |
|---------------------|---------------------|----------|

MAKHADO MUNICIPALITY

SUMMARISED FINAL ANNUAL CAPITAL BUDGET FOR 2016/2017 TO 2018/2019 FINANCIAL YEAR

| DEPARTMENT | 2016/2017 | 2017/2018 | 2018/2019 |
|--------------------------|-----------------------|-----------------------|-----------------------|
| Planning and Development | 1 560 000.00 | 6 000 000.00 | - |
| Technical Services | 126 971 000.00 | 170 645 000.00 | 155 872 000.00 |
| Community Services | 6 370 000.00 | 7 350 000.00 | 1 600 000.00 |
| Budget and Treasury | 2 800 000.00 | 400 000.00 | 400 000.00 |
| Corporate Services | 2 555 000.00 | 2 065 000.00 | 400 000.00 |
| Regional Offices | 20 000.00 | - | - |
| TOTAL | 140 276 000.00 | 186 460 000.00 | 158 272 000.00 |

| FUNDING SOURCES | 2016/2017 | 2017/2018 | 2018/2019 |
|------------------------|-----------------------|-----------------------|-----------------------|
| INCOME | 38 930 000.00 | 69 695 000.00 | 36 130 000.00 |
| MIG | 85 346 000.00 | 91 765 000.00 | 97 142 000.00 |
| INEP | 16 000 000.00 | 25 000 000.00 | 25 000 000.00 |
| TOTAL | 140 276 000.00 | 186 460 000.00 | 158 272 000.00 |

LIM344 Makhado - Table A1 Budget Summary

| Description | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|------------------------------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| R thousands | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| <u>Financial Performance</u> | | | | | | | | | | |
| Property rates | 28 077 | 28 523 | 41 666 | 43 642 | 49 711 | 49 711 | 24 167 | 52 992 | 56 278 | 59 598 |
| Service charges | 207 | 228 | 254 447 | 298 585 | 291 864 | 291 864 | 130 111 | 314 562 | 337 787 | 364 191 |

| | | | | | | | | | | |
|--|------|------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 993 | 997 | | | | | | | | |
| Investment revenue | 1 | 1 | | | | | | | | |
| | 341 | 955 | 3 720 | 3 285 | 3 785 | 3 785 | 2 886 | 4 035 | 4 285 | 4 538 |
| Transfers recognised - operational | 311 | 373 | | | | | | | | |
| | 527 | 366 | 291 276 | 363 596 | 363 596 | 363 596 | 267 127 | 291 230 | 305 515 | 323 340 |
| Other own revenue | 40 | 50 | | | | | | | | |
| | 803 | 956 | 32 908 | 42 483 | 31 379 | 31 379 | 11 863 | 33 448 | 35 526 | 35 347 |
| Total Revenue (excluding capital transfers and contributions) | 589 | 683 | 624 016 | 751 591 | 740 334 | 740 334 | 436 153 | 696 267 | 739 391 | 787 013 |
| | 741 | 797 | | | | | | | | |
| Employee costs | 199 | 201 | | | | | | | | |
| | 383 | 866 | 212 743 | 241 177 | 248 316 | 248 316 | 117 458 | 262 055 | 279 809 | 298 766 |
| Remuneration of councillors | 18 | 20 | | | | | | | | |
| | 470 | 782 | 21 798 | 22 610 | 24 997 | 24 997 | 10 720 | 26 722 | 28 539 | 30 480 |
| Depreciation & asset impairment | 112 | 123 | | | | | | | | |
| | 670 | 266 | 106 351 | 153 426 | 153 426 | 153 426 | – | 125 678 | 136 757 | 136 757 |
| Finance charges | 9 | 10 | | | | | | | | |
| | 025 | 302 | 10 896 | 6 181 | 7 343 | 7 343 | 2 714 | 7 527 | 7 994 | 8 465 |
| Materials and bulk purchases | 156 | 157 | | | | | | | | |
| | 721 | 754 | 183 246 | 216 939 | 224 239 | 224 239 | 100 264 | 245 142 | 261 027 | 281 909 |
| Transfers and grants | – | – | – | – | – | – | – | – | – | – |
| Other expenditure | 144 | 187 | | | | | | | | |
| | 866 | 684 | 175 792 | 194 796 | 215 263 | 197 629 | 81 103 | 179 126 | 193 728 | 207 961 |
| Total Expenditure | 641 | 701 | 710 827 | 835 130 | 873 584 | 855 950 | 312 259 | 846 251 | 907 855 | 964 338 |
| | 135 | 653 | | | | | | | | |
| Surplus/(Deficit) | (51 | (17 | (86 | (83 | (133 | (115 | | (149 | (168 | (177 |
| | 394) | 856) | 811) | 538) | 250) | 616) | 123 894 | 984) | 464) | 324) |
| Transfers recognised - capital | 69 | 110 | | | | | | | | |
| Contributions recognised - capital & contributed assets | 397 | 876 | 154 981 | 129 264 | 189 264 | 189 264 | 189 264 | 101 346 | 113 766 | 122 141 |
| | – | – | – | – | – | – | – | 58 000 | 65 000 | 58 000 |
| Surplus/(Deficit) after capital transfers & contributions | 18 | 93 | 68 170 | 45 726 | 56 014 | 73 648 | 313 158 | 9 363 | 10 302 | 2 817 |
| | 003 | 020 | | | | | | | | |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | – | – | – |
| Surplus/(Deficit) for the year | 18 | 93 | 68 170 | 45 726 | 56 014 | 73 648 | 313 158 | 9 363 | 10 302 | 2 817 |
| | 003 | 020 | | | | | | | | |
| <u>Capital expenditure & funds sources</u> | | | | | | | | | | |
| Capital expenditure | 86 | 122 | | | | | | | | |
| | 926 | 235 | 180 221 | 163 938 | 228 690 | 228 690 | 131 319 | 140 256 | 186 460 | 158 272 |
| Transfers recognised - capital | 65 | 110 | | | | | | | | |
| | 152 | 876 | 154 981 | 129 264 | 189 264 | 189 264 | 114 422 | 101 346 | 116 765 | 122 142 |
| Public contributions & donations | – | – | – | – | – | – | – | – | – | – |
| Borrowing | – | – | – | – | – | – | – | – | – | – |
| Internally generated funds | 21 | 11 | | | | | | | | |
| | 775 | 359 | 25 239 | 34 674 | 39 426 | 39 426 | 16 897 | 38 930 | 69 695 | 36 130 |
| Total sources of capital funds | 86 | 122 | 180 221 | 163 938 | 228 690 | 228 690 | 131 319 | 140 276 | 186 460 | 158 272 |
| | 926 | 235 | | | | | | | | |

| | | | | | | | | | | |
|--|-------|-------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| <u>Financial position</u> | | | | | | | | | | |
| | 186 | 258 | | | | | | | | |
| Total current assets | 166 | 262 | 271 807 | 234 208 | 404 579 | 404 579 | 180 822 | 345 516 | 371 963 | 393 693 |
| | 1 860 | 1 756 | | | | | | | | |
| Total non current assets | 948 | 422 | 1 799 179 | 2 063 186 | 2 060 249 | 2 060 249 | 2 047 299 | 2 158 828 | 2 247 362 | 2 348 833 |
| | 180 | 212 | | | | | | | | |
| Total current liabilities | 350 | 431 | 172 548 | 105 918 | 187 141 | 187 141 | – | 90 037 | 78 326 | 69 099 |
| | 102 | 106 | | | | | | | | |
| Total non current liabilities | 505 | 599 | 117 933 | 54 | 117 732 | 117 732 | 54 | 124 151 | 130 730 | 136 769 |
| | 2 003 | 1 725 | | | | | | | | |
| Community wealth/Equity | 350 | 650 | 1 708 495 | – | 2 159 995 | 2 159 995 | – | 2 290 156 | 2 410 268 | 2 536 658 |
| | | | | | | | | | | |
| <u>Cash flows</u> | | | | | | | | | | |
| | 110 | 149 | | | | | | | | |
| Net cash from (used) operating | 573 | 718 | 138 822 | 22 661 | 928 | 928 | 204 331 | 87 041 | 92 639 | 92 768 |
| | (86 | (46 | (180 | (163 | (228 | (228 | (131 | (82 | (121 | (100 |
| Net cash from (used) investing | 926) | 985) | 221) | 938) | 690) | 690) | 319) | 276) | 460) | 272) |
| | (8 | (3 | (3 | | (21 | | | (1 | | |
| Net cash from (used) financing | 168) | 215) | 806) | – | 432) | 5 226 | – | 800) | – | – |
| | 10 | 109 | | (76 | (184 | (157 | | | | |
| Cash/cash equivalents at the year end | 191 | 822 | 64 618 | 660) | 576) | 918) | 137 629 | 67 582 | 38 761 | 31 258 |
| | | | | | | | | | | |
| <u>Cash backing/surplus reconciliation</u> | | | | | | | | | | |
| | 10 | 52 | | | | | | | | |
| Cash and investments available | 304 | 010 | 47 450 | 55 027 | 110 053 | 110 053 | 55 027 | 108 658 | 118 530 | 124 657 |
| | 106 | 80 | | | | | (12 | (32 | (60 | (83 |
| Application of cash and investments | 491 | 694 | 59 315 | 43 496 | 116 492 | 116 492 | 764) | 240) | 104) | 845) |
| | (96 | (28 | (11 | | (6 | (6 | | | | |
| Balance - surplus (shortfall) | 187) | 684) | 865) | 11 531 | 439) | 439) | 67 791 | 140 898 | 178 633 | 208 502 |
| | | | | | | | | | | |
| <u>Asset management</u> | | | | | | | | | | |
| | 176 | 269 | | | | | | | | |
| Asset register summary (WDV) | 072 | 232 | 23 017 | 12 753 | 26 659 | 26 659 | 28 342 | 28 342 | 30 061 | 30 942 |
| | 112 | 123 | | | | | | | | |
| Depreciation & asset impairment | 670 | 266 | 106 351 | 153 426 | 153 426 | 153 426 | 125 678 | 125 678 | 136 757 | 136 757 |
| Renewal of Existing Assets | – | – | – | – | – | – | – | 50 328 | 50 947 | 53 903 |
| | 14 | 17 | | | | | | | | |
| Repairs and Maintenance | 676 | 585 | 20 508 | 52 452 | 50 328 | 50 328 | 50 328 | 50 328 | 50 947 | 53 902 |
| | | | | | | | | | | |
| <u>Free services</u> | | | | | | | | | | |
| | – | – | – | – | – | – | – | – | – | – |
| Cost of Free Basic Services provided | 15 | 15 | | | | | | | | |
| Revenue cost of free services provided | 109 | 458 | 13 240 | 13 985 | 14 880 | 14 885 | 11 265 | 11 265 | 15 117 | 15 542 |
| <u>Households below minimum service level</u> | | | | | | | | | | |
| | 39 | 41 | – | 43 | 43 | 43 | 44 | 44 | 45 | 47 |
| Water: | | | – | – | – | – | – | – | – | – |
| Sanitation/sewerage: | – | – | – | – | – | – | – | – | – | – |

| | | | | | | | | | | |
|---------|----|----|---|-----|-----|-----|-----|-----|-----|-----|
| Energy: | - | - | - | - | - | - | - | - | - | - |
| Refuse: | 49 | 49 | - | 142 | 142 | 142 | 146 | 146 | 150 | 155 |

LIM344 Makhado - Table A4 Budgeted Financial Performance (revenue and expenditure)

| Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|----------|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | 1 | | | | | | | | | | |
| Revenue By Source | | | | | | | | | | | |
| Property rates | 2 | 28 077 | 28 523 | 41 666 | 43 642 | 49 711 | 49 711 | 24 167 | 52 992 | 56 278 | 59 598 |
| Property rates - penalties & collection charges | | | | | | | | | | | |
| | | 201 | 222 | 246 | 288 | | | | | | |
| Service charges - electricity revenue | 2 | 650 | 149 | 283 | 861 | 283 903 | 283 903 | 126 027 | 306 218 | 330 287 | 356 248 |
| Service charges - water revenue | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | 2 | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | 2 | 6 343 | 6 848 | 8 164 | 9 724 | 7 960 | 7 960 | 4 083 | 8 344 | 7 500 | 7 943 |
| Service charges - other | | - | - | - | - | | | | | | |
| Rental of facilities and equipment | | 170 | 505 | 289 | 449 | 449 | 449 | 208 | 479 | 510 | 544 |
| Interest earned - external investments | | 1 341 | 1 955 | 3 720 | 3 285 | 3 785 | 3 785 | 2 886 | 4 035 | 4 285 | 4 538 |
| Interest earned - outstanding debtors | | 16 357 | 12 886 | 7 830 | 11 981 | 12 102 | 12 102 | 4 051 | 12 901 | 13 701 | 12 231 |
| Dividends received | | - | - | - | - | | | - | | | |
| Fines | | 3 849 | 5 650 | 5 844 | 1 641 | 1 667 | 1 667 | 662 | 1 777 | 1 888 | 1 999 |
| Licences and permits | | 12 207 | 11 078 | 10 611 | 11 251 | 11 405 | 11 405 | 4 452 | 12 158 | 12 912 | 13 674 |
| Agency services | | - | - | - | | | | | | | |
| | | 311 | 373 | 291 | 363 | | | | | | |
| Transfers recognised - operational | | 527 | 366 | 276 | 596 | 363 596 | 363 596 | 267 127 | 291 230 | 305 515 | 323 340 |
| Other revenue | 2 | 8 220 | 20 837 | 8 334 | 17 162 | 5 755 | 5 755 | 2 491 | 6 133 | 6 515 | 6 900 |
| Gains on disposal of PPE | | | | | | | | | | | |
| Total Revenue (excluding capital transfers and contributions) | | 589 741 | 683 797 | 624 016 | 751 591 | 740 334 | 740 334 | 436 153 | 696 267 | 739 391 | 787 013 |
| Expenditure By Type | | | | | | | | | | | |
| | - | | | | | | | | | | |
| Employee related costs | 2 | 199 383 | 201 866 | 212 743 | 241 177 | 248 316 | 248 316 | 117 458 | 262 055 | 279 809 | 298 766 |
| Remuneration of councillors | | 18 470 | 20 782 | 21 798 | 22 610 | 24 997 | 24 997 | 10 720 | 26 722 | 28 539 | 30 480 |
| Debt impairment | 3 | 40 624 | 12 894 | 24 310 | 10 000 | 20 000 | 20 000 | | 10 000 | 10 580 | 11 194 |

| | | | | | | | | | | | |
|--|------|-------------|-------------|-------------|-------------|--------------|--------------|---------|--------------|--------------|--------------|
| Depreciation & asset impairment | 2 | 112 670 | 123 266 | 106 351 | 153 426 | 153 426 | 153 426 | – | 125 678 | 136 757 | 136 757 |
| Finance charges | | 9 025 | 10 302 | 10 896 | 6 181 | 7 343 | 7 343 | 2 714 | 7 527 | 7 994 | 8 465 |
| | | 156 | 157 | 183 | 216 | | | | | | |
| Bulk purchases | 2 | 721 | 754 | 246 | 939 | 224 239 | 224 239 | 100 264 | 245 142 | 261 027 | 281 909 |
| Other materials | 8 | – | – | | | | – | | | | |
| Contracted services | | – | – | – | – | 17 634 | – | – | 18 798 | 19 963 | 21 121 |
| Transfers and grants | | – | – | – | – | – | – | – | – | – | – |
| Other expenditure | 4, 5 | 104 242 | 174 790 | 151 482 | 184 796 | 177 629 | 177 629 | 81 103 | 150 328 | 163 185 | 175 646 |
| Loss on disposal of PPE | | – | – | – | | | | | | | |
| Total Expenditure | | 641 135 | 701 653 | 710 827 | 835 130 | 873 584 | 855 950 | 312 259 | 846 251 | 907 855 | 964 338 |
| Surplus/(Deficit) | | (51 394) | (17 856) | (86 811) | (83 538) | (133 250) | (115 616) | 123 894 | (149 984) | (168 464) | (177 324) |
| Transfers recognised - capital | | 69 397 | 876 | 981 | 264 | 189 264 | 189 264 | 189 264 | 101 346 | 113 766 | 122 141 |
| Contributions recognised - capital | 6 | – | – | – | – | – | – | – | – | – | – |
| Contributed assets | | | | | | | | | 58 000 | 65 000 | 58 000 |
| Surplus/(Deficit) after capital transfers & contributions | | 18 003 | 93 020 | 68 170 | 45 726 | 56 014 | 73 648 | 313 158 | 9 363 | 10 302 | 2 817 |
| Taxation | | | | | | | | | | | |
| Surplus/(Deficit) after taxation | | 18 003 | 93 020 | 68 170 | 45 726 | 56 014 | 73 648 | 313 158 | 9 363 | 10 302 | 2 817 |
| Attributable to minorities | | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | 18 003 | 93 020 | 68 170 | 45 726 | 56 014 | 73 648 | 313 158 | 9 363 | 10 302 | 2 817 |
| Share of surplus/ (deficit) of associate | 7 | | | | | | | | | | |
| Surplus/(Deficit) for the year | | 18 003 | 93 020 | 68 170 | 45 726 | 56 014 | 73 648 | 313 158 | 9 363 | 10 302 | 2 817 |

LIM344 Makhado - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

| Vote Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|-------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | 1 | | | | | | | | | | |
| <u>Capital expenditure - Vote</u> | | | | | | | | | | | |
| <u>Multi-year expenditure to be appropriated</u> | 2 | | | | | | | | | | |
| | | 54 | 100 | 147 | 107 | 181 | 181 | | | | |
| Vote 1 - EXECUTIVE AND COUNCIL | | 685 | 436 | 443 | 656 | 129 | 129 | 124 432 | 89 921 | 94 315 | 97 142 |
| Vote 2 - WASTE MANAGEMENT | | – | – | – | 5 300 | – | – | – | – | – | – |
| Vote 3 - ROAD TRANSPORT | | – | – | – | 1 430 | – | – | – | – | – | – |

| | | | | | | | | | | | |
|---|---|-----------|------------|------------|------------|------------|------------|---------|------------|------------|------------|
| Vote 4 - WATER | | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - ELECTRICITY | | 10 280 | 18 658 | 24 826 | 21 383 | 34 019 | 34 019 | 6 182 | 37 050 | 76 330 | 58 730 |
| Vote 6 - CORPORATE SERVICES | | 863 | 512 | 2 167 | 4 500 | 865 | 865 | - | 2 555 | 2 065 | 400 |
| Vote 7 - PLANNING AND DEVELOPMENT | | 1 | 967 | 2 140 | 2 575 | 920 | 920 | 705 | 1 560 | 6 000 | - |
| Vote 8 - COMMUNITY AND SOCIAL SERVICES | | 6 779 | 865 | - | - | 6 273 | 6 273 | - | 6 370 | 7 350 | 1 600 |
| Vote 9 - HOUSING | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - OTHER | | 0 | 797 | - | 7 100 | 1 102 | 1 102 | - | 20 | - | - |
| Vote 11 - SPORTS AND RECREATION | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - BUDGET AND TREASURY | | 14 320 | - | 3 645 | 13 994 | 4 382 | 4 382 | - | 2 800 | 400 | 400 |
| 0 | | - | - | - | - | - | - | - | - | - | - |
| 0 | | - | - | - | - | - | - | - | - | - | - |
| 0 | | - | - | - | - | - | - | - | - | - | - |
| Capital multi-year expenditure sub-total | 7 | 86 926 | 122 235 | 180 221 | 163 938 | 228 690 | 228 690 | 131 319 | 140 276 | 186 460 | 158 272 |
| <u>Single-year expenditure to be appropriated</u> | 2 | | | | | | | | | | |
| Vote 1 - EXECUTIVE AND COUNCIL | | - | - | - | - | - | - | - | - | - | - |
| Vote 2 - WASTE MANAGEMENT | | - | - | - | - | - | - | - | - | - | - |
| Vote 3 - ROAD TRANSPORT | | - | - | - | - | - | - | - | - | - | - |
| Vote 4 - WATER | | - | - | - | - | - | - | - | - | - | - |
| Vote 5 - ELECTRICITY | | - | - | - | - | - | - | - | - | - | - |
| Vote 6 - CORPORATE SERVICES | | - | - | - | - | - | - | - | - | - | - |
| Vote 7 - PLANNING AND DEVELOPMENT | | - | - | - | - | - | - | - | - | - | - |
| Vote 8 - COMMUNITY AND SOCIAL SERVICES | | - | - | - | - | - | - | - | - | - | - |
| Vote 9 - HOUSING | | - | - | - | - | - | - | - | - | - | - |
| Vote 10 - OTHER | | - | - | - | - | - | - | - | - | - | - |
| Vote 11 - SPORTS AND RECREATION | | - | - | - | - | - | - | - | - | - | - |
| Vote 12 - BUDGET AND TREASURY | | - | - | - | - | - | - | - | - | - | - |
| 0 | | - | - | - | - | - | - | - | - | - | - |
| 0 | | - | - | - | - | - | - | - | - | - | - |
| 0 | | - | - | - | - | - | - | - | - | - | - |
| Capital single-year expenditure sub-total | | - | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Vote | | 86 926 | 122 235 | 180 221 | 163 938 | 228 690 | 228 690 | 131 319 | 140 276 | 186 460 | 158 272 |
| <u>Capital Expenditure - Standard</u> | | | | | | | | | | | |
| 15 | | | | | | | | | | | |
| Governance and administration | | 200 | 4 836 | 1 310 | 8 579 | 7 269 | 7 269 | 2 964 | 9 930 | 5 015 | 800 |
| Executive and council | | 17 | 4 324 | 1 310 | 8 579 | 2 887 | 2 887 | 2 964 | 4 575 | 2 550 | - |
| Budget and treasury office | | 14 | - | | | 4 382 | 4 382 | | 2 800 | 400 | 400 |

| | | | | | | | | | | | |
|---|---|-----|--------|--------|--------|--------|--------|---------|--------|--------|--------|
| | | 320 | | | | | | | | | |
| Corporate services | | 863 | 512 | | | | | | 2 555 | 2 065 | 400 |
| Community and public safety | | 6 | | | | | | | | | |
| | | 779 | 865 | - | - | 6 273 | 6 273 | - | 6 370 | 7 350 | 1 600 |
| | | 6 | | | | | | | | | |
| Community and social services | | 779 | 865 | | | 6 273 | 6 273 | | 6 370 | 7 350 | 1 600 |
| Sport and recreation | | - | - | | | | | | | | |
| Public safety | | - | - | | | | | | | | |
| Housing | | - | - | | | | | | | | |
| Health | | - | - | | | | | | | | |
| Economic and environmental services | | 54 | | 159 | 119 | 181 | 181 | | | | |
| | | 668 | 97 079 | 612 | 854 | 129 | 129 | 114 422 | 86 906 | 97 765 | 97 142 |
| Planning and development | | 1 | 967 | 257 | 1 090 | | | | 1 560 | 6 000 | - |
| | | 54 | | 159 | 118 | 181 | 181 | | | | |
| Road transport | | 668 | 96 112 | 355 | 764 | 129 | 129 | 114 422 | 85 346 | 91 765 | 97 142 |
| Environmental protection | | - | - | | | | | | | | |
| Trading services | | 10 | | | | | | | | | |
| | | 280 | 18 658 | 19 299 | 35 505 | 34 019 | 34 019 | 13 933 | 37 050 | 76 330 | 58 730 |
| | | 10 | | | | | | | | | |
| Electricity | | 280 | 18 658 | 19 299 | 35 505 | 34 019 | 34 019 | 13 933 | 37 050 | 76 330 | 58 730 |
| Water | | - | - | | | | | | | | |
| Waste water management | | - | - | | | | | | | | |
| Waste management | | - | - | | | | | | | | |
| Other | | - | 797 | | | | | | | | |
| Total Capital Expenditure - Standard | 3 | 86 | 122 | 180 | 163 | 228 | 228 | | 140 | 186 | 158 |
| | | 926 | 235 | 221 | 938 | 690 | 690 | 131 319 | 256 | 460 | 272 |
| Funded by: | | | | | | | | | | | |
| National Government | | 65 | 110 | 154 | 129 | 189 | 189 | | 101 | 116 | 122 |
| Provincial Government | | 152 | 876 | 981 | 264 | 264 | 264 | 114 422 | 346 | 765 | 142 |
| District Municipality | | - | - | | | | | | | | |
| Other transfers and grants | | - | - | | | | | | | | |
| Transfers recognised - capital | 4 | 65 | 110 | 154 | 129 | 189 | 189 | | 101 | 116 | 122 |
| Public contributions & donations | 5 | - | - | | | | | | | | |
| Borrowing | 6 | - | - | | | | | | | | |
| Internally generated funds | | 21 | | | | | | | | | |
| | | 775 | 11 359 | 25 239 | 34 674 | 39 426 | 39 426 | 16 897 | 38 930 | 69 695 | 36 130 |
| Total Capital Funding | 7 | 86 | 122 | 180 | 163 | 228 | 228 | | 140 | 186 | 158 |
| | | 926 | 235 | 221 | 938 | 690 | 690 | 131 319 | 276 | 460 | 272 |

LIM344 Makhado - Table A7 Budgeted Cash Flows

| Description | Re f | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | 2016/17 Medium Term Revenue & Expenditure Framework |
|-------------|---------|---------|---------|---------|----------------------|--|
|-------------|---------|---------|---------|---------|----------------------|--|

| R thousand | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Pre-audit outcome | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
|---|---|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|-------------------|---------------------|------------------------|------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Property rates, penalties & collection charges | | 28 | | | | | | | | | |
| | | 091 | 30 437 | 303 133 | 43 642 | 49 711 | 49 711 | 24 167 | 52 992 | 56 278 | 59 598 |
| Service charges | | 216 | | | | | | | | | |
| | | 006 | 331 246 | | 288 861 | 310 851 | 310 851 | 126 027 | 314 562 | 337 787 | 364 191 |
| Other revenue | | 1 | | | | | | | | | |
| | | 847 | 12 081 | | 17 162 | 5 324 | 5 324 | 2 491 | 20 547 | 21 825 | 23 116 |
| Government - operating | 1 | 241 | | | | | | | | | |
| | | 136 | 262 490 | 291 276 | 363 596 | 363 596 | 363 596 | 267 127 | 291 230 | 305 515 | 323 340 |
| Government - capital | 1 | 69 | | | | | | | | | |
| | | 397 | 110 876 | 154 981 | 129 264 | 129 264 | 129 264 | 89 842 | 101 346 | 113 765 | 122 142 |
| Interest | | 17 | | | | | | | | | |
| | | 696 | 1 955 | 11 550 | 15 266 | 15 766 | 15 766 | 6 937 | 16 936 | 17 986 | 16 769 |
| Dividends | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Suppliers and employees | | (458) | (590) | (611) | (828) | (866) | (866) | (309) | (703) | (752) | (807) |
| | | 360) | 924) | 222) | 949) | 241) | 241) | 546) | 045) | 523) | 922) |
| Finance charges | | (5 | (8 | (10 | (6 | (7 | (7 | (2 | (7 | (7 | (8 |
| | | 240) | 443) | 896) | 181) | 343) | 343) | 714) | 527) | 994) | 465) |
| Transfers and Grants | 1 | - | - | - | - | - | - | - | - | - | - |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 110 | | | | | | | | | |
| | | 573 | 149 718 | 138 822 | 22 661 | 928 | 928 | 204 331 | 87 041 | 92 639 | 92 768 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Proceeds on disposal of PPE | | - | 75 250 | - | - | - | - | - | 58 000 | 65 000 | 58 000 |
| Decrease (Increase) in non-current debtors | | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |
| Capital assets | | (86 | (122 | (180 | (163 | (228 | (228 | (131 | (140 | (186 | (158 |
| | | 926) | 235) | 221) | 938) | 690) | 690) | 319) | 276) | 460) | 272) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (86 | (46 | (180 | (163 | (228 | (228 | (131 | (82 | (121 | (100 |
| | | 926) | 985) | 221) | 938) | 690) | 690) | 319) | 276) | 460) | 272) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | | |
| Receipts | | | | | | | | | | | |
| Short term loans | | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | - | - | 392 | - | - | 7 747 | - | - | - | - |
| Increase (decrease) in consumer deposits | | - | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | | | |

| | | | | | | | | | | | |
|--|---|------------|------------|-------------|--------------|--------------|--------------|---------|------------|-------------|------------|
| Repayment of borrowing | | (8 168) | (3 215) | (4 198) | – | (21 432) | (2 521) | | (1 800) | – | – |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (8 168) | (3 215) | (3 806) | – | (21 432) | 5 226 | – | (1 800) | – | – |
| NET INCREASE/ (DECREASE) IN CASH HELD | | 15 479 | 99 518 | (45 204) | (141 277) | (249 194) | (222 536) | 73 012 | 2 965 | (28 821) | (7 504) |
| Cash/cash equivalents at the year begin: | 2 | (5 288) | 10 304 | 109 822 | 64 618 | 64 618 | 64 618 | 64 618 | 64 618 | 67 582 | 38 761 |
| Cash/cash equivalents at the year end: | 2 | 10 191 | 109 822 | 64 618 | (76 660) | (184 576) | (157 918) | 137 629 | 67 582 | 38 761 | 31 258 |

LIM344 Makhado - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

| Vote Description | Ref | 2012/13 | 2013/14 | 2014/15 | Current Year 2015/16 | | | 2016/17 Medium Term Revenue & Expenditure Framework | | |
|--|-----|-----------------|-----------------|-----------------|----------------------|-----------------|--------------------|---|------------------------|------------------------|
| | | Audited Outcome | Audited Outcome | Audited Outcome | Original Budget | Adjusted Budget | Full Year Forecast | Budget Year 2016/17 | Budget Year +1 2017/18 | Budget Year +2 2018/19 |
| R thousand | | | | | | | | | | |
| <u>Revenue by Vote</u> | 1 | | | | | | | | | |
| Vote 1 - EXECUTIVE AND COUNCIL | | 298 | 353 | 435 | 468 | 459 | | | | |
| Vote 2 - WASTE MANAGEMENT | | 984 | 146 | 526 | 605 | 592 | 459 592 | 521 273 | 562 627 | 601 117 |
| Vote 3 - ROAD TRANSPORT | | 5 472 | 6 088 | 5 790 | 6 677 | 6 677 | 6 677 | 7 118 | 7 559 | 8 005 |
| Vote 4 - WATER | | 16 214 | 16 820 | 16 474 | 13 017 | 13 017 | 13 017 | 13 876 | 14 737 | 15 606 |
| Vote 5 - ELECTRICITY | | – | – | (73) | – | – | – | – | – | 0 |
| Vote 6 - CORPORATE SERVICES | | 218 | 247 | 254 | 305 | 320 | | | | |
| Vote 7 - PLANNING AND DEVELOPMENT | | 835 | 402 | 696 | 866 | 792 | 320 792 | 232 454 | 247 040 | 261 615 |
| Vote 8 - COMMUNITY AND SOCIAL SERVICES | | 26 638 | 26 699 | 41 624 | 50 070 | 52 697 | 52 697 | 56 175 | 59 658 | 63 178 |
| Vote 9 - HOUSING | | 368 | 3 378 | 2 972 | 491 | 491 | 491 | 523 | 556 | 1 112 |
| Vote 10 - OTHER | | 103 | 107 | 50 | 92 | 92 | 92 | 98 | 104 | 207 |
| Vote 11 - SPORTS AND RECREATION | | 47 | 305 | 47 | 56 | 56 | 56 | 59 | 63 | 126 |
| Vote 12 - BUDGET AND TREASURY | | 220 | – | 178 | – | – | – | – | – | 0 |
| 0 | | 28 | 78 | 48 | 84 | – | – | – | – | 0 |
| 0 | | 30 842 | 35 841 | 20 638 | 35 897 | 44 245 | 44 245 | 47 165 | 50 089 | 53 045 |
| 0 | | – | – | – | – | – | – | – | – | – |
| 0 | | – | – | – | – | – | – | – | – | – |
| 0 | | – | – | – | – | – | – | – | – | – |
| Total Revenue by Vote | 2 | 597 751 | 689 864 | 777 971 | 880 855 | 897 659 | 897 659 | 878 741 | 942 433 | 1 004 011 |
| <u>Expenditure by Vote to be appropriated</u> | 1 | | | | | | | | | |
| Vote 1 - EXECUTIVE AND COUNCIL | | 110 | 137 | 98 692 | 105 | 105 | 98 692 | 105 205 | 111 728 | 223 456 |

| | | | | | | | | | | | |
|--|---|-------------|------------|------------|------------|------------|---------|---------|---------|---------|--|
| | | 813 | 229 | | 772 | 772 | | | | | |
| Vote 2 - WASTE MANAGEMENT | | 3 782 | 14 434 | 19 231 | 22 635 | 22 635 | 22 635 | 24 129 | 25 625 | 51 250 | |
| Vote 3 - ROAD TRANSPORT | | 21 098 | 22 803 | 23 273 | 25 229 | 25 229 | 25 229 | 26 894 | 28 561 | 57 123 | |
| Vote 4 - WATER | | 1 548 | 1 214 | 805 | 19 080 | 19 080 | 19 080 | 20 339 | 21 600 | 43 200 | |
| | | 192 | 194 | 236 | 270 | 270 | | | | | |
| Vote 5 - ELECTRICITY | | 596 | 879 | 196 | 815 | 815 | 287 815 | 306 811 | 325 833 | 345 057 | |
| Vote 6 - CORPORATE SERVICES | | 38 925 | 34 480 | 33 698 | 39 431 | 39 431 | 39 431 | 42 033 | 44 640 | 47 273 | |
| Vote 7 - PLANNING AND DEVELOPMENT | | 26 563 | 44 023 | 43 026 | 50 337 | 50 337 | 50 337 | 53 659 | 56 986 | 60 348 | |
| Vote 8 - COMMUNITY AND SOCIAL SERVICES | | 15 807 | 8 186 | 6 275 | 7 487 | 7 487 | 7 487 | 7 981 | 8 476 | 8 976 | |
| Vote 9 - HOUSING | | - | - | 20 | - | - | - | - | - | 0 | |
| Vote 10 - OTHER | | 13 354 | 16 964 | 14 414 | 27 395 | 27 395 | 27 395 | 29 203 | 31 013 | 32 843 | |
| Vote 11 - SPORTS AND RECREATION | | 8 603 | 12 121 | 15 638 | 17 632 | - | 17 632 | 18 796 | 19 961 | 21 139 | |
| | | 216 | 202 | 218 | 249 | 249 | | | | | |
| Vote 12 - BUDGET AND TREASURY | | 056 | 916 | 657 | 317 | 317 | 231 445 | 218 829 | 241 362 | 89 996 | |
| 0 | | - | - | - | - | - | - | - | - | - | |
| 0 | | - | - | - | - | - | - | - | - | - | |
| 0 | | - | - | - | - | - | - | - | - | - | |
| Total Expenditure by Vote | 2 | 649 145 | 689 249 | 709 927 | 835 130 | 817 498 | 827 178 | 853 879 | 915 786 | 980 662 | |
| Surplus/(Deficit) for the year | 2 | (51 394) | 615 | 68 044 | 45 725 | 80 161 | 70 481 | 24 862 | 26 647 | 23 349 | |

LIM344 Makhado - Supporting Table SA30 Budgeted monthly cash flow

| MONTHLY CASH FLOWS | Budget Year 2016/17 | | | | | | | | | | | | Medium Term R |
|---|---------------------|-----------|-----------|---------|----------|----------|---------|----------|--------|--------|--------|--------|---------------------|
| | July | August | Sept. | October | November | December | January | February | March | April | May | June | Budget Year 2016/17 |
| R thousand | | | | | | | | | | | | | |
| Cash Receipts By Source | | | | | | | | | | | | | 1 |
| Property rates | 4 019 | 3 969 | 3 808 | 4 027 | 4 212 | 4 133 | 4 145 | 4 217 | 4 152 | 3 223 | 5 669 | 7 420 | 52 992 |
| Property rates - penalties & collection charges | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | 24 487 | 24 758 | 24 576 | 22 612 | 23 554 | 21 095 | 23 816 | 24 687 | 26 403 | 39 907 | 39 180 | 11 144 | 306 218 |
| Service charges - water revenue | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - sanitation revenue | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Service charges - refuse revenue | 408 | 625 | 763 | 739 | 628 | 621 | 674 | 520 | 623 | 838 | 944 | 963 | 8 344 |
| Service charges - other | - | - | - | - | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | | | | |
|---|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|
| Rental of facilities and equipment | 51 | 37 | 28 | 36 | 27 | 29 | 22 | 3 | 9 | 55 | 60 | 122 | 479 |
| Interest earned - external investments | 100 | 107 | 395 | 451 | 178 | 116 | 163 | 110 | 373 | 245 | 185 | 1 611 | 4 035 |
| Interest earned - outstanding debtors | 589 | - | - | - | - | - | - | - | 2 762 | 2 548 | 2 470 | 2 532 | 12 901 |
| Dividends received | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | 012 | 819 | 280 | 1 600 | 1 184 | 800 | 816 | 624 | 933 | 857 | 1 256 | (9 405) | 1 777 |
| Licences and permits | 786 | 833 | 718 | 872 | 792 | 1 451 | 1 151 | 903 | 885 | 1 035 | 1 574 | 1 158 | 12 158 |
| Agency services | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer receipts - operational | 122 317 | - | - | - | 96 106 | - | - | - | 72 808 | - | - | - | 291 230 |
| Other revenue | 203 | 290 | 441 | 248 | 156 | 1 153 | 81 | 22 | 481 | 757 | 759 | 1 542 | 6 133 |
| Cash Receipts by Source | 155 972 | 31 436 | 32 009 | 30 586 | 126 836 | 29 397 | 30 868 | 31 086 | 109 429 | 49 466 | 52 097 | 17 086 | 696 267 |
| Other Cash Flows by Source | | | | | | | | | | | | | |
| Transfer receipts - capital | 31 018 | - | 4 000 | - | 5 000 | 32 018 | 2 000 | - | 27 311 | - | - | 0 | 101 346 |
| Contributions recognised - capital & Contributed assets | - | - | - | - | - | - | - | - | - | - | - | 58 000 | 58 000 |
| Proceeds on disposal of PPE | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Short term loans | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (Increase) in non-current debtors | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Cash Receipts by Source | 186 989 | 31 436 | 36 009 | 30 586 | 131 836 | 61 414 | 32 868 | 31 086 | 136 740 | 49 466 | 52 097 | 75 086 | 855 613 |
| Cash Payments by Type | | | | | | | | | | | | | |
| Employee related costs | 20 886 | 20 269 | 20 802 | 20 146 | 20 576 | 41 594 | 20 115 | 20 026 | 20 797 | 19 367 | 19 157 | 18 321 | 262 055 |
| Remuneration of councillors | 1 806 | 1 785 | 1 786 | 1 786 | 1 779 | 1 778 | 2 489 | 1 879 | 1 877 | 2 713 | 2 713 | 4 332 | 26 722 |
| Finance charges | 700 | 308 | 205 | 186 | 1 865 | 639 | 433 | 319 | 473 | 845 | 815 | 739 | 7 527 |
| Bulk purchases - Electricity | 18 004 | 18 311 | 17 195 | 19 138 | 18 004 | 17 612 | 18 044 | 20 042 | 20 939 | 22 757 | 25 756 | 29 341 | 245 142 |
| Bulk purchases - Water & Sewer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other materials | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Contracted services | 1 486 | 2 119 | 2 209 | 776 | 1 548 | 721 | 1 158 | 2 567 | 1 177 | 1 268 | 1 568 | 2 202 | 18 798 |

| | | | | | | | | | | | | | | |
|--|------------|-------------|-------------|-------------|---------|-------------|-------------|-------------|---------|-------------|-------------|--------|---------|---|
| Transfers and grants - other municipalities | | | | | | | | | | | | - | | |
| Transfers and grants - other | | | | | | | | | | | | - | | |
| Other expenditure | 15 022 | 11 780 | 13 713 | 13 244 | 15 332 | 12 080 | 10 065 | 12 819 | 10 835 | 12 445 | 14 590 | 8 404 | 150 328 | |
| Cash Payments by Type | 57 904 | 54 572 | 55 909 | 55 274 | 59 103 | 74 424 | 52 304 | 57 652 | 56 098 | 59 394 | 64 598 | 63 339 | 710 572 | |
| Other Cash Flows/Payments by Type | | | | | | | | | | | | | | |
| Capital assets | 13 995 | 12 392 | 10 668 | 11 401 | 13 943 | 13 676 | 9 298 | 12 182 | 11 505 | 10 967 | 9 263 | 10 987 | 140 276 | |
| Repayment of borrowing | - | - | - | 719 | 27 | 27 | - | - | 722 | - | - | 305 | 1 800 | |
| Other Cash Flows/Payments | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Cash Payments by Type | 71 899 | 66 964 | 66 578 | 67 394 | 73 073 | 88 127 | 61 602 | 69 834 | 68 325 | 70 362 | 73 861 | 74 630 | 852 648 | |
| NET INCREASE/(DECREASE) IN CASH HELD | 115 091 | (35 528) | (30 569) | (36 808) | 58 763 | (26 712) | (28 734) | (38 748) | 68 415 | (20 896) | (21 764) | 456 | 2 965 | 8 |
| Cash/cash equivalents at the month/year begin: | 64 618 | 179 708 | 144 180 | 113 611 | 76 803 | 135 566 | 108 854 | 80 119 | 41 371 | 109 786 | 88 890 | 67 126 | 64 618 | |
| Cash/cash equivalents at the month/year end: | 179 708 | 144 180 | 113 611 | 76 803 | 135 566 | 108 854 | 80 119 | 41 371 | 109 786 | 88 890 | 67 126 | 67 582 | 67 582 | |